

17 June 1959

MEMORANDUM FOR THE RECORD

SUBJECT: Resume of OCB Luncheon Meeting, 17 June 1959

PRESENT: Mr. Allen, Mr. Dulles, Mr. Gates, Mr. Gray,
Mr. Harr, Mr. McCone, Mr. Murphy, Mr. Riddleberger,
Mr. Scribner, Mr. Smith

1. Berkner Report

The Board discussed the Berkner report on the effects of nuclear tests, which had been released at Geneva. It was pointed out that the press did not play this report up to any great extent, presumably because it was of such a technical nature that the editors did not consider it newsworthy. In some papers (e. g. the Washington Post) the report was carried in two sections, the content of which might have appeared to a lay observer as being somewhat contradictory.

It was suggested that in the future reports of this nature might receive more effective play if they were released to the press through Dr. Killian, or his successor, and the White House.

2. Brazil

The next subject was the dilemma in which the U.S. finds itself with regard to financial assistance to Brazil. It was pointed out that should we accede to Brazil's urgent requests for a loan this would have the effect of stimulating inflationary tendencies throughout the area, including other countries such as Argentina. On the other hand, Brazil finds it very difficult to comply with the anti-inflationary requirements specified by the International Monetary Fund.

3. Bases in Morocco

In connection with the problem of retaining U. S. bases in

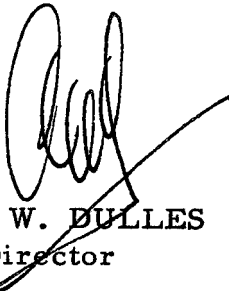
Morocco, Mr. Harr proposed a possible new approach, suggesting that the U.S. might take the position with the Moroccan government that there appears to be no point in continuing to haggle on this matter and that we will simply make plans to pull out at an early date. This suggestion seemed to the Board to have some merit from a non-military point of view.

Mr. Gates stated that it was his understanding that the Moroccans basically wished us to remain in their country. Mr. Dulles and Mr. Allen responded that while this might be the private view of a number of individuals, no responsible politician or government official could afford to espouse such a view publicly.

Mr. Murphy reported on the recent sessions with Ambassador Yost in Washington, saying among other things that a preliminary decision had been taken that the U.S. would give up two bases in Morocco, one over strong objections of the French. It was agreed that the Departments of State and Defense would inform the Board from time to time of the status of actions they undertake.

4. India and Pakistan

Mr. Murphy gave a brief report on the relations between these two countries, in the light of the President's expressed interest in the subject.


ALLEN W. DULLES
Director

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